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**BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001**

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**POSTAL RATE AND FEE CHANGES, 1997**

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Docket No. R97-1

**MAJOR MAILERS ASSOCIATION'S MOTION  
TO COMPEL ANSWERS TO CERTAIN INTERROGATORIES**

On August 25, the Postal Service filed an Objection to 18 questions (and subquestions) contained in MMA's first set of interrogatories. MMA withdraws eight of those questions. Pursuant to Rule 23(a)(7), MMA asks the Presiding Officer to direct the Postal Service to answer the remaining questions for the reasons stated herein. (The text of the discovery requests is reproduced in the Attachment to this Motion.)

**SUMMARY**

History repeats itself, especially with the Postal Service. This is the latest of a recurrent series of Postal Service proposals to substitute radical new costing methodologies for the Commission's established procedures. In this case, as in previous cases, MMA has filed interrogatories seeking information that will allow it to determine how First-Class mailers will be affected by the proposed change in costing methodologies. And, once again, the Postal Service has objected to revealing that information.

Now more than ever, the Commission needs to require full disclosure. Whereas the Service's preferred costing techniques in Docket No. MC96-3 attributed \$1.1 billion less than the Commission's methodology, the Service's proposal in this proceeding attributes \$5.1 billion less than the Commission-approved method. By shrinking attributable costs,

the Service increases the pot of overhead costs--costs that the Service wants to distribute by discretionary "pricing" judgments instead of by costing principles.

Ever since its inception, this Commission has struggled to achieve two objectives. One goal has been to increase the share of postal costs that is apportioned by objective costing principles. The other goal has been to reduce First-Class Mail's excessive share of total postal costs. In this proceeding, the most important question is whether the Service's new costing methodology would set back both goals. Under Rule 25, the parties are entitled to information about the effects of the Service's methodology--information that the Service's Objections refuse to reveal.

## **ARGUMENT**

### **A. The Commission Has Ruled Repeatedly That The Parties Are Entitled To Comparisons Between the Proposed and Established Methodologies**

#### **1. The Commission's Rulings In Docket No. R94-1 Establish That MMA's Requests For Comparisons Constitute Proper Interrogatories Under Rule 25**

In Docket No. R94-1, as here, the Service refused to answer MMA's interrogatories requesting comparisons between the Service's proposed new costing methodologies and the Commission's established principles. The Presiding Officer ordered the Service to answer MMA's interrogatories, although he eventually had the Commission supply comparable information in the form of a library reference (POR Nos. R94-1/18 and 1/38).

As the Presiding Officer observed in his second ruling (page 2):

P.O. Ruling R94-1/18 agreed with MMA that there was a legal burden on the Postal Service as the proponent of a changed rate schedule to demonstrate the impact on that schedule of its proposed departures from the pricing principles followed by the Commission in the previous omnibus rate case. P.O. Ruling 94-1/26 agreed with MMA's reasoning that to demonstrate the impact of differing pricing principles, it was first necessary to know the effect that the Postal Service's departures from the costing methods followed by the Commission in R90-1 would have on the attributable cost floor.

Later, in its Recommended Decision (pages I-19 to I-23), the Commission expressed its approval of the Presiding Officer's Rulings, saying (*Id.* at I-23):

The Commission considers quantification of the impact of proposed departures in cost attribution methods and in rate design principles from those established in the previous omnibus rate proceeding to be basic to the ability of intervenors, the Commission, and the public to make an informed evaluation of a Postal Service request for a change in rates.

**2. The Commission's Decision in Docket No. MC96-3 Reaffirmed That the Service Should Provide Comparisons of Both Methodologies So That the Parties Can Evaluate the Change**

Again, in Docket No. MC96-3, the Commission rejected the Postal Service's objection to supplying comparisons between the Service's preferred costing methodology and the Commission's established principles. In ordering the Service "to provide versions of [its exhibits] that are consistent with the cost attribution methods that the Commission applied in...the most recent omnibus rate proceeding" (Order No. 1126, pages 1-2), the Commission emphasized (*Id.* at 2, 6-7):

Its [the Order's] purpose is to provide the parties and the Commission with a measure of the impact of the Postal Service's proposals on the costs, and institutional cost burdens of the classes and subclasses of mail that is consistent with attribution methods established in Docket No. R94-1. Such a measure is needed in order to allow the parties and the Commission to evaluate the effects of the Postal Service's proposed changes in fees separately from its proposed departures from established attribution methods.

\* \* \*

The consistency of the proposed fees with the pricing standards of the Act, including §§ 3622(b)(1), (b)(3), and (b)(5) cannot be assessed without estimates of their [the resulting revenue burdens and cost coverages] impact." (footnote omitted)

**3. The Service Errs In Its Apparent Belief That the Recent Revision to Rule 54(a)(1) Shields the Service From Having To Respond To Discovery Requests Under Rule 25**

The Service's main argument is that "[t]he information requested [by MMA's interrogatories] is not required by revised Rule 54(a)(1)" and "conflicts with what the Commission said in enacting the rule" (Objections, pages 1, 3-5).

But the propriety of MMA's interrogatories is governed not by Rule 54, but by Rule 25. That Rule, entitled "Interrogatories for Purpose of Discovery," allows interrogatories "requesting nonprivileged information relevant to the subject matter in such proceeding," or "information which appears reasonably calculated to lead to the discovery of admissible evidence." There can be no doubt that the requested information is relevant; it is essential to justifying the Service's case. As the proponent of an order approving new rates, the Postal Service has the burden of proof (5 U.S.C. §556(d)). Where, as here, a regulated utility asks to abandon an established allocation method, it has the burden of proving that its substitute technique is superior. As this Commission put it (Dkt. No. MC96-3, Order No. 1143, page 8):

When a new case is filed by the Postal Service it often suggests modifications to the existing attribution process....The Commission evaluates the evidentiary record developed on proposals to change cost attribution principles, and makes a determination on whether or not to adjust its past practice to incorporate changes. Where no modification is found justified, under accepted principles of administrative law, the existing process is retained.

Thus, as the Commission also said in Docket No. MC96-3 (Order No. 1126, page 12):

Part of the Postal Service's burden as advocate of these simultaneous changes [in current fees and established attribution methods] is to demonstrate the impact of its proposed fee changes in the status quo, measured by methods consistent with the status quo. It should not be left to the parties or the Commission to disentangle the effect of the Postal Service's proposed changes to established attribution methods from the effect of its proposed changes in fees.

Contrary to the Service's apparent belief, nothing in the Commission's recent revision of Rule 54(a)(1) diminishes the Service's obligation under Rule 25 to provide relevant and nonprivileged information. Rule 54(a) specifies only the information that the Service must include as part of its initial rate filing--the documents that initiate a new rate case. It was designed to provide the parties with an early warning system about the impact of new attribution methods. Neither the Rule's text nor the Commission's explanation suggest that it supercedes Rule 25's requirements.

The Presiding Officer's Ruling No. R97-1/8 tends to confirm this. Thus the Presiding Officer recognized that the "quality of" the Service's filing could "have been better," and that the Service "will be expected to comply with rule 54(a)...in future cases..." (POR No. R97-1/8, pages 3, 5). Nonetheless, "in recognition that this is the first case in which the revised language of rule 54(a) is applicable" (*Id.* at 4), the Presiding Officer decided to "ease the Postal Service's obligations to provide information..." (*Id.* at 3). In his ruling, the Presiding Officer was obviously influenced by Rule 54(a)(1)'s novelty, not by any intent to downgrade Rule 25's obligations.

**B. There Is No Merit To Arguments That the Commission  
And MMA Themselves Should Perform the Computations**

In order to determine the impact of the Service's proposed rates under currently-approved cost attributions, MMA asked the Service to provide cost coverages and the

like on that basis. Objecting to producing any of this information,<sup>1</sup> the Service contends that the Commission itself should “address[]” this issue “on the record” (Objections, page 5), that MMA itself can compute the requested information (*Id.* at 7), and that the Service

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<sup>1</sup> The interrogatories to which MMA seeks to compel answers (and which are quoted in full in the Attachment to this Motion) are: MMA/USPS-T32-15(B) (asking witness Fronk for the coverages for letters under the Commission-approved methodology); MMA/USPS T25-1(B)(C) (asking witness Hatfield if his unit benchmark processing costs embody USPS’ proposed methodology and, if so, what would be the costs for First-Class letters under the Commission-approved methodology); MMA/USPS-T30-3(A) (asking witness O’Hara whether LR H-215 shows coverages etc. under the Commission-approved methodology); MMA/USPS-T30-4(A) and (D) (asking witness O’Hara whether cost coverages etc. under the Commission-approved methodology can be derived from LR H-215 and if not, to provide that information for the subclasses); MMA/USPS-T30-6 (asking witness O’Hara to provide the contributions to overhead for the subclasses under the Commission-approved methodology); MMA/USPS-T30-7(A)(2) (asking witness O’Hara for the contributions to overhead for letters under the Commission-approved methodology); MMA/USPS-T30-8(C)(1) and (C)(3) (asking witness O’Hara if LR H-215 includes the final “Adjustments” that witness O’Hara made in his own Exhibits USPS-T-30F and T-30G and, if not, to supply data showing the impact of those “Adjustments”).

MMA has withdrawn the following interrogatories to which the Service objects: MMA/USPS-T7-1 and MMA/USPS-T30-3(B)-(D), T30-4(B)-(C) and T30-8(C)(2).



has already provided much of the requested information (*Id.*).

The Service's contentions are disingenuous. One example illustrates this. In Interrogatory MMA/USPS-T30-4(D), MMA asked for a table that compares cost coverages under *both* the Service's proposed costing methodology *and* the Commission's established methodology. Although the Service says that this information "can be computed...from Library Reference H-215 and other materials presented in this case, including witness O'Hara's exhibits" (Objection, page 7), that is demonstrably untrue. In addition to the discrepancies that the Presiding Officer noted in Ruling No. R97-1/7, Library Reference H-215 and Dr. O'Hara's testimony are not comparable. Thus, in his Exhibit USPS-30F, witness O'Hara makes certain "Adjustments" to the CRA Roll Forward After-Rates cost figures, but none of these adjustments are made in Library Reference H-215.<sup>2</sup> And, despite MMA's request in Interrogatory MMA/USPS-T-30-8(C) to correct this discrepancy, the Postal Service refuses to do so (Objection, pages 7-8). By means of such disharmonies between its exhibits, the Service has made it impossible for the Commission or MMA to make the requested computations with any degree of certainty.

Moreover, the Service's argument is an obvious ploy. If the Commission takes up the Service's invitation to make its own computations, the Service will argue here, as it did in earlier cases, that any Commission-produced library reference cannot be considered as

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<sup>2</sup> This is apparent on the face of the two documents. Although the Postal Service proposes to eliminate Standard Mail (A) Single-Piece mail, Library Reference H-215 continues to include costs for that subclass. In contrast, as one of his "Adjustments" in Exhibit USPS-30F (which provides after-rates finances under the Service's costing methodology), witness O'Hara correctly shows a zero cost for that subclass. In addition, witness O'Hara's Exhibit USPS-30F reduces Standard Mail (A) costs by \$223 million for Commercial Regular and \$32 million for Commercial ECR, none of these changes being reflected in Library Reference H-215. (Witness O'Hara revised his Exhibit USPS-30F on August 22, but these "Adjustments" remain unchanged.)

record matter. And, if the parties' expert witnesses rely upon the Commission's figures or make their own approximations, the Service will ask that their testimony be stricken from the record, as the Service requested in Dockets Nos. R94-1 and MC96-3. (See POR No. R94-1/63; Order No. 1143 in Dkt. No. MC96-3.)

In any event, the Commission has repeatedly rejected the argument that the parties are equipped to provide this type of information on their own. Thus, in Docket No. RM97-1, the Commission recognized that "it is not properly the parties' burden to disentangle the effects of the Postal Service's proposed changes in rates from the effects of its proposed changes in attribution principles," since "performing this elaborate set of calculations is a formidable and time consuming task" (Order No. 1176, pages 2,3).

**C. MMA's Interrogatories Request Information That Is Relevant and Material To The Commission's Decision In This Proceeding**

Never before has the Service's proposed a new methodology that will have such a massive impact upon First-Class Mail. Whereas the Service's proposed costing techniques in Docket No. MC96-3 attributed \$1.1 billion less than the Commission's methodology, the Service's proposal in this proceeding attributes \$5.1 billion less than the Commission's methodology.<sup>3</sup> MMA's interrogatories are designed to make the Postal Service quantify how First-Class Mail will be affected by this enormous change.

**MMA/USPS-T30-4B.** The single-most important interrogatory is MMA/USPS-T30-4.

It is addressed to witness O'Hara, who "presents the Postal Service's proposed rate levels,...described in terms of cost coverages" (USPS-T-30, page 1); Dr. O'Hara's Exhibit

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<sup>3</sup> For Docket No. MC96-3, see Exh. MMA-T-1, p.2. For Docket No. R97-1, compare Col. (1) of Exh. USPS-30F (Rev.) (\$34,255,875,000) with Library Reference H-215, Part III, Matrix fy98rcam c, page 3 (\$39,385,826,000, or \$39,601,901,00 minus penalty costs of \$216,075,000).

USPS-30A shows each subclass' cost coverages and contribution to overhead--but only under the Service's proposed methodology. Trying to find out what those cost coverages and contributions would be under the Commission's methodology, MMA offered Dr. O'Hara three options:

- Provide a detailed description of how MMA itself can derive such cost coverages and markups from Library Reference H-215 (MMA/USPS-T30-4(B));
- Schedule a data conference at which the Service can explain orally how MMA itself can derive that information (MMA/USPS-T30-4(C)); or
- Provide a table comparing the coverages and markups (as shown in Dr. O'Hara's Exhibit USPS-30A) *with* the coverages and mark-ups that the proposed rates would produce under the Commission-approved methodology (MMA/USPS-T30-4(D)).

Earlier in this Motion, MMA refuted the Service's alleged grounds for objecting to all three of these options (See this Motion, Sections A.3 and B), including the argument that MMA can make its own computations (See *Id.*, Section B). Unless the Postal Service supplies this information, it has failed to sustain its burden of proof to justify its proposed rates. As the Commission said in Docket No. R94-1: "[Q]uantification of the impact of proposed departures in cost attribution methods...[is] basic to the ability of...the Commission...to make an informed evaluation of a Postal Service request for a change in rates" (R94-1 Rec. Dec., page I-23). (See this Motion, Section A.1.)

**Related Interrogatories.** Three other MMA interrogatories ask for the coverage of First-Class letters (separated between single-piece and worksharing letters) or the contributions per piece for all subclasses or for letters.<sup>4</sup> MMA itself can compute this

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<sup>4</sup> These interrogatories are MMA/USPS-T32-15(B); MMA/USPS-T30-6; MMA/USPS-T30-7(A).

information, but only if it receives the information requested by Interrogatory MMA/USPS-T30-4(D). Like the information requested by Interrogatory MMA/USPS-T30-4(D), the information requested in these interrogatories is essential to an informed decision about the proposed rates' legality.

**MMA/USPS-T25-1(C).** This interrogatory asks witness Hatfield, the Service's chief witness on mail processing costs, to state how First-Class letters' processing costs would change if he had used the Commission's methodology. There is absolutely no way that the parties (and, perhaps, the Commission) can derive this information on their own. Without this information, no one can assess the impact of the Service's proposed methodology, determine if it is fair, or set rates (or discounts) if the Commission decides to reject or modify the Service's proposed methodology.

The Service complains, *first*, that it would be "impossible" for witness Hatfield to answer because he is unfamiliar with the Commission's methodology and, *second*, that it would be burdensome for those who are familiar with the Commission's methodology to become familiar with witness Hatfield's presentation (Objection, pages 6-7). But this difficulty is of the Service's own making, caused by its decision to splinter its case between 40 witnesses with 42 pieces of testimony—with no chief witness who can give an overview. Anyway, the Service's complaint of burden (a supposed one-week to two-week "minimum" time to respond) fails to contain the specificity that Rule 25(c) requires. Faced with similar time-estimates before, the Commission has found that the claimed "burden is not excessive" (See Dkt. No. MC96-3, Order No. 1126, page 15).

**MMA-T30-8(C).** This is the interrogatory, discussed earlier, in which Dr. O'Hara was asked to incorporate his final "Adjustments" (shown in his Exhibit USPS-30F

(Revised)) into Library Reference H-215. (See this Motion, Section B.) (In its Objection (pages 7-8), the Postal Service misinterprets this interrogatory as asking Dr. O'Hara to anticipate the *Commission's* final adjustments.) Until the Postal Service provides the information that MMA requested, the Library Reference will remain incomplete and incompatible with the Service's evidence.

**The Remaining Interrogatories.** All the remaining interrogatories ask the Postal Service for a simple "yes" or "no" answer. The witnesses are asked only:

If witness Hatfield's unit benchmark processing costs differ from those that would be produced under the Commission's established methodology (MMA/USPS-T25-1(B));

If anyone can use Library Reference H-215 to derive coverages, markups and similar information, using the Commission's established methodology (MMA/USPS-T30-4(A); and

If Library Reference H-215 includes Dr. O'Hara's final "Adjustments" (shown in his Exhibit USPS-30F (Revised)) (MMA/USPS-T30-8(C)(1).

Although it is now obvious from the Service's Objections that the answer to each question must be "no," MMA cannot understand why the Service could not have answered those questions by simply saying so.

**D. The Service's Remaining Objections  
Are Without Merit**

The Postal Service has made a few other criticisms of MMA interrogatories, but those criticisms deserve only brief comment.

The Service expresses concern that Interrogatories MMA/USPS-T30-3 and T30-4 "call for legal conclusions" because they ask Dr. O'Hara to present data on cost coverages and the like according to the Commission-approved attribution methods (Objection, page 7). No legal conclusion is required. Even if it were, Rule 25(c) specifies: "An interrogatory otherwise proper is not necessarily objectionable because an answer would involve an

opinion or contention that relates to fact or the application of law to fact...."

The Service also wonders whether Interrogatory MMA/USPS-T25-1(B) and (C) are asking witness Hatfield about a Postal Service analysis used in a recent Classification Case (Objection, pages 6-7). Actually, the interrogatory is absolutely clear. Subsection (C) asks Mr. Hatfield to "show[] how the costs shown in" his present exhibit "would change if he had used the Commission-approved methodology" which is defined in Subsection (B) as "the Commission's approved cost methodology as provided in the last omnibus rate proceeding, Docket No. R94-1." There is no mention of any Classification proceeding.

The Postal Service also accuses MMA of creating a stream of discovery concerning the Service's Rule 54(a)(1) filing, of seeking a sponsoring witness for that filing, and of *trying to force that filing to be converted into sworn testimony* (Objection, pages 3-4). But MMA is not trying to change the Service's Rule 54(a)(1) filing; MMA is requesting answers to interrogatories under Rule 25. As MMA explained earlier in this Motion (Section A.3), Rule 54(a) does not curtail the parties' rights under Rule 25 to "request[] nonprivileged information relevant to the subject matter in [a] proceeding."

Lastly, the Postal Service says that answering MMA's requests "will interfere with the Postal Service's ability to support and defend its proposals in this case" (Objection, page 1). No, the Service has it backwards. It is the Service's unwillingness to divulge the requested information that will bog down this case. This Motion has already quoted the Commission's R94-1 statement that "quantification of the impact of proposed departures in cost attribution methods...[is] basic to the ability of ..the Commission...to make an informed evaluation of a Postal Service request for a change in rates" (R94-1 Rec. Dec., page I-23). (See this Motion, Section A.1.) All that MMA's interrogatories request is the "quantification" of the kind that the Commission described as "basic" to "an informed

decision.”

**E. The Commission Needs the Requested Information In Order To Assure Itself That the Service’s Proposed Methodology Will Not Undermine The Commission’s Long-Establish Goals For Objective Ratemaking**

Ultimately, the Commission must ask itself: *Why is the Postal Service so reluctant to divulge any “quantification of the impact of [its] proposed departures in cost attribution methods”?* (See R94-1 Rec. Dec., page I-23.) What is the impact? Would it erode two of the Commission’s most cherished objectives?

One Commission goal has been to maximize the apportionment of postal costs by objective costing principles. Ever since the first postal rate case, when the Service classified “about one-half its costs” as attributable (R71-1 Rec. Dec., page 41), the Commission has struggled to increase the portion of costs that can be attributed. In this proceeding, however, the Service is proposing a costing technique that—as compared with the Commission-approved method—*reduces* attributable costs by \$5.1 *billion*. (See this Motion, Section C and note 3.) By shrinking attributable costs and reclassifying some labor costs as nonattributable, the Postal Service would increase the pot of overhead costs—costs which it wants to distribute by discretionary “pricing” judgment instead of by costing principles. Is this, the Commission must ask, a step in the wrong direction?

A second Commission goal has been to reduce First-Class Mail’s excessive share of overhead costs. (See *e.g.*, R94-1 Rec. Dec., page V-19.) In case after case, the Service has made plain its belief that—despite its stranglehold over First-Class Mail under the Private Express Statutes—the Service should be allowed to raise the price of that mail according to market-based “demand” factors. The Service’s testimony in this proceeding continues to praise “the gains” from market-based demand pricing (USPS-T31, page 67).

Because the Service has been operating profitably in recent years, it has been able to restrain its presently-proposed increase in First-Class rates.

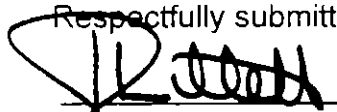
But, if the Service encounters losses again, will the Service's proposed new costing methodology open the way to requests for disproportionate increases in First-Class Mail rates?

These are questions that the Commission must ask in this proceeding. The Commission cannot answer those questions without comparing the impact of the proposed and established costing methodologies--information that MMA has requested and that the Service has refused to provide.

\* \* \*

For the foregoing reasons, the Presiding Officer should order the Postal Service to answer the MMA interrogatories listed in in the Attachment as still pending

Respectfully submitted,



Richard Littell  
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(202) 466-8260

September 8, 1997

#### CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document, by First-Class Mail, upon the participants in this proceeding.



Jeffrey Plummer

September 8, 1997



**TEXT OF DISCOVERY REQUEST**

**MMA/USPS-T32-15.**

\* \* \*

(B) Under the Postal Service's proposal, what are the coverages for (1) First-Class single-piece letters and (2) worksharing letters, under the Commission-approved costing methodology?

**MMA/USPS-T25-1.**

On page 3 of USPS-T-25, you indicate that, for your analysis of First-Class bulk mail cost savings, your benchmark is a "shape specific, product specific mail processing unit cost that includes all volume variable mail processing costs that are captured in the CRA".

\* \* \*

(B) Does this mean that your unit benchmark processing costs differ from those that would be produced under the Commission's approved cost methodology as provided in the last omnibus rate proceeding, Docket No. R94-1? Please explain any no answer

(C) Please refer to your answer to Paragraph (B) of this Interrogatory. If you had used the Commission-approved methodology, what would be the effect upon the costs for First-Class letters that are shown in Table II-2 on page 4 of your testimony, USPS-T-25? Please provide a version of Table II-2 that shows how the costs for First-Class letters would change if you had used the Commission-approved methodology

**MMA/USPS-T30-3.**

In response to Commission Rule 54(a)(1), the Postal Service filed USPS Library Reference H-215, which includes a Part II entitled "Fiscal Year 1998 BR" and a Part II entitled "Fiscal Year 1998 AR."

(A) Does Part III of Library Reference H-215 show the "cost coverages," "proposed rate levels" and "the test-year finances of the Postal Services on a subclass-by-subclass basis" (as these terms are used in your testimony) in a manner consistent with the "attribution procedures applied by the Commission in the most recent general rate proceeding." (See Commission Rule 54(1), 62 Fed. Reg. 30242, 30250 (June 3, 1997) )

**MMA/USPS-T30-4.**

Please refer to Interrogatory USPS-T-30-3

(A) Using the information provided in Library Reference H-215, can a party derive--for each subclass--the test year after-rates. (1) costs, (2) volumes, (3) cost coverages, (3) cost mark-ups, (4) cost coverage index, and (5) markup index--using the "attribution procedures applied by the Commission in the most recent general rate proceeding." (See Commission Rule 54(1), 62 Fed. Reg. 30242, 30250 (June 3, 1997).)

\* \* \*

(D) Alternatively to providing this information about derivation methods in writing or at a data conference, please provide a table that compares to your proposed test year after-rates cost coverages using the "attribution procedures applied by the Commission in the most recent general rate proceeding." (See Commission Rule 54(1), 62 Fed. Reg. 30242, 30250 (June 3, 1997).) Such a table should also include total revenues, costs, volumes, cost mark-up, cost coverage index, and mark-up index for all subclasses and, for First-Class, also separately for nonpresorted letters and worksharing letters

**MMA/USPS-T30-6.**

Please provide, for each subclass during the test year (after the Postal Service's proposed rates), the contribution per piece to overhead under the "attribution procedures applied by the Commission in the most recent general rate proceeding." (See Commission Rule 54(1), 62 Fed. Reg. 30242, 30250 (June 3, 1997).)

**MMA/USPS-T30-7.**

Please refer to Interrogatories MMA/USPS-T30-5 and T30-6 and your responses thereto.

(A) What are the contributions per piece to overhead of First-Class nonpresorted letters and First-Class worksharing letters (stated separately):

\* \* \*

(2) Under the "attribution procedures applied by the Commission in the most recent general rate proceeding"? (See Commission Rule 54(1), 62 Fed. Reg. 30242, 30250 (June 3, 1997).)

**MMA/USPS-T30-8.**

Please refer to your Exhibits USPS-30F and 30G.

(A) In Exhibit USPS-30F you adjusted the CRA Roll Forward costs for the test year at the Postal Service's proposed rates. For each such adjustment, please provided (1) a statement of the reason for the adjustment and (2) a description of how each adjustment was made.

(B) In Exhibit USPS-30G you adjusted the volume forecasts for the test year at the Postal Service's proposed rates. For each such adjustment, please provide (1) a statement of the reason for the adjustment and (2) a description of how each adjustment was made.

(C) Please refer to USPS Library Reference H-215, Part III, the page headed "Matrix fy98rcam.c, Page 3."

(1) Does that exhibit page include the adjustments referred to in Paragraphs (A) and (B) of this Interrogatory?

\* \* \*

(3) If your answer to Subparagraph (1) of this Interrogatory is other than yes, please provide a table (comparable to the cited page of USPS Library Reference H-215) that includes the adjustments referred to in Paragraphs (A) and (B) of this Interrogatory.

**WITHDRAWN INTERROGATORIES**

MMA has withdrawn the following interrogatories to which the Service objects:

MMA/USPS-T7-1 and MMA/USPS-T30-3(B)-(D), T30-4(B)-(C) and T30-8(C)(2).

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\* The Postal Service did not object to Subparts (A) and (B) of this Interrogatory, and these Subparts are included here only for clarity since they are referred to by MMA/USPS-T30-8(C)(1)